



PUBLIC NOTICE

Federal Communications Commission
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DA 08-415
Released: February 19, 2008

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF CALENCE HOLDINGS, INC. TO CALENCE, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 08-19

Comments Due: March 4, 2008

Reply Comments Due: March 11, 2008

On February 8, 2008, Calence Holdings, Inc. (Calence Holdings) and Calence, LLC (Calence, LLC) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules for authority to transfer control of Calence Holdings to Calence, LLC.¹ Calence Holdings, which was formally known as Calence, Inc., is an Arizona corporation. In February, 2006, Calence, Inc. entered into a transaction with Avnet, Inc., a publicly traded New York corporation that provides IT products and services, whereby Calence, Inc. changed its name to Calence Holdings and contributed its business, and Avnet contributed a division of its business, to Calence, LLC. Calence, LLC is a Delaware limited liability company that is the surviving entity of the February, 2006 transaction. Calence, LLC provides resold local exchange and interstate telecommunications services in New York, New York.² Applicants state that Avnet, Inc. does not provide telecommunications services.

Applicants explain that, following the merger, the ownership of Calence LLC is as follows: Calence Holdings owns 37.5 percent of the total membership interests, which constitutes 100 percent of all voting interests (Class A interests), and Avnet, Inc. owns 62.5 percent of the total membership

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic section 214 application on February 18, 2008.

² On February 4, 2008, Calence, LLC and Insight Networking Services, LLC (Insight) filed a domestic section 214 application to transfer 100 percent of the membership interests of Calence, LLC to Insight. *Domestic Section 214 Application Filed for the Transfer of Control of Calence, LLC to Insight Networking Services, LLC*, WC Docket No. 08-16, Public Notice, DA 08-301 (rel. Feb. 6, 2008). Applicants state that, following the agreement of Calence, LLC to transfer control of the company to Insight, they discovered that they were required to request and receive Commission authority in 2006 when they consummated the underlying transfer of control of Calence Holdings to Calence, LLC. Applicants have filed a request for Special Temporary Authority (STA) to allow Calence, LLC to provide service for 60 days. The Wireline Competition Bureau granted the STA request on February 13, 2008. Letter from Judith D. O'Neill and Debra McGuire Mercer, Counsel for Calence Holdings, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 08-19 (filed Feb. 12, 2008). Any action on the domestic section 214 applications does not preclude or prejudice any enforcement action related to an unauthorized transfer of control.

interests, which constitutes zero percent of all voting interests (Class B interests). Applicants state that the February, 2006 transaction resulted in a change in the ultimate ownership and control of Calence, Inc. and that, pursuant their operating agreement, Avnet, Inc. designates one of seven managers on the Board of Managers, and Calence, Inc. and Avnet, Inc. designate three additional managers by mutual agreement. Calence, Inc. designates the other three managers. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.³

Domestic Section 214 Application Filed for the Transfer of Control of
Calence Holdings, Inc. to Calence LLC, WC Docket No. 08-19 (filed Feb. 8, 2008).

GENERAL INFORMATION

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before March 4, 2008**, and reply comments **on or before March 11, 2008**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁴ Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's eRulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, <http://www.fcc.gov/cgb/ecfs/>, or the Federal eRulemaking Portal, <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

In addition, email one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: 202 / 488-5300; fax: 202 / 488-5563;

³ 47 C.F.R. § 63.03(b)(2)(i).

⁴ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, International Bureau, Policy Division, International Bureau, david.krech@fcc.gov;
and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: 202 / 488-5300; fax: 202 / 488-5563; email: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at 202 / 418-1394 or Jodie May at 202 / 418-0913.

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